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OFFICE OF PETITIONS

In re Patent No. 6,353,038
Issue Date: 5 March, 2002
Application No. 09/446,630
Filed/Deposited: 23 February, 2002
Attorney Docket No. TUR-087

DECISION ON PETITION

This is a decision on the petition filed on 4 May, 2012, and properly treated as a petition pursuant to 37 C.F.R. §1.378(b)¹ requesting acceptance of payment of a maintenance fee for the above-referenced patent as having been delayed due to unavoidable delay.

The petition pursuant to 37 C.F.R. §1.378(b) is **DISMISSED**.

If reconsideration of this decision is desired, a petition for reconsideration under 37 C.F.R. §1.378(e) must be filed within TWO (2) MONTHS from the mail date of this decision.

No extension of this 2-month time limit can be granted under 37 C.F.R. §1.136(a) or (b).

A petition for reconsideration **must** be accompanied by the petition fee of \$400.00 as set forth in 37 C.F.R. §1.17(f).

The petition for reconsideration **shall** include an exhaustive attempt to provide the lacking item(s) noted below, since, after a decision on the petition for reconsideration, the Director will undertake no further reconsideration or review of the matter.

¹ A grantable petition to accept a delayed maintenance fee payment under 37 C.F.R. §1.378(b) must be include
(1) the required maintenance fee set forth in §1.20(e) through (g);
(2) the surcharge set forth in §1.20(l)(1); and
(3) a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.

This is **not** a final agency action within the meaning of 5 U.S.C. §704.

A petition to accept the delayed payment of a maintenance fee under 35 USC §41(c) and 37 C.F.R. §1.378(b) must be accompanied by:

- (1) *an adequate showing that the delay was unavoidable, since reasonable care was taken to ensure that the maintenance fee would be paid timely;*
- (2) *payment of the appropriate maintenance fee, unless previously submitted; and*
- (3) *payment of the surcharge set forth in 37 C.F.R. §1.20(i)(1).*

The instant petition fails to satisfy requirement (1), listed/described above.

BACKGROUND

Patent No. 6,353,038 (the ‘038 patent) issued on 5 March, 2002. The second maintenance fee could have been paid during the period from 5 March, 2009, through midnight 5 September, 2009, or, with a surcharge, during the period from 6 September, 2009, through midnight 5 March, 2010. Accordingly, the patent expired after midnight 5 March, 2010, for failure to pay timely the second maintenance fee.

The instant petition (with fee) pursuant to 37 C.F.R. §1.378(b) was filed on 4 May, 2012.

STATUTE AND REGULATION

The grant of authority at 35 U.S.C. §41(c)(1) provides that:

The Director may accept the payment of any maintenance fee required by subsection (b) of this section...after the six-month grace period if the delay is shown to the satisfaction of the Director to have been unavoidable.

The regulations 37 C.F.R. §1.378(b)(3) thus set forth that any petition to accept delayed payment of a maintenance fee must include:

A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date, and the manner in which

patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly. (Emphasis supplied.)

Out of an abundance of caution, Petitioners always are reminded that those registered to practice and all others who make representations before the Office **must** inquire into the underlying facts of representations made to the Office and support averments with the appropriate documentation—since all owe to the Office the continuing duty of candor and duty to disclose.²

OPINION

The Director may accept late payment of the maintenance fee under 35 U.S.C. §41(c) and 37 C.F.R. §1.378(b) if the delay is shown to the satisfaction of the Director to have been “unavoidable.”³

A late maintenance fee is considered under the same standard as that for reviving an abandoned application under 35 U.S.C. §133 because 35 U.S.C. §41(c)(1) uses the identical language, i.e., “unavoidable” delay.⁴ Decisions reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.⁵ In addition, decisions on revival are made on a “case-by-case basis, taking all the facts and circumstances into account.”⁶ Finally, a petition to revive an application or reinstate a patent as abandoned or expired due to unavoidable delay cannot be granted where a Petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay.⁷

Petitioner’s Contentions as to Unavoidable Delay

Petitioner James C. Lydon (Reg. No. 30,082) sought relief on behalf of the assignee Vivoxid OY (Vivoxid) pursuant to the regulations at 37 C.F.R. §1.378, averring unavoidable delay.

Patent No. 6,353,038 (the ‘038 patent) issued on 5 March, 2002. The second maintenance fee could have been paid during the period from 5 March, 2009, through midnight 5 September, 2009, or, with a surcharge, during the period from 6 September, 2009, through midnight 5

² See supplement of 17 June, 1999. The Patent and Trademark Office is relying on Petitioner’s duty of candor and good faith and accepting a statement made by Petitioner. See Changes to Patent Practice and Procedure, 62 Fed. Reg. at 53160 and 53178, 1203 Off. Gaz. Pat. Office at 88 and 103 (responses to comments 64 and 109)(Petitioner obligated under 37 C.F.R. §10.18 to inquire into the underlying facts and circumstances when providing statements to the Patent and Trademark Office).

³ 35 U.S.C. §41(c)(1).

⁴ *Ray v. Lehman*, 55 F.3d 606, 608-09, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995)(quoting *In re Patent No. 4,409,763*, 7 USPQ2d 1798, 1800 (Comm’r Pat. 1988)).

⁵ *Ex parte Pratt*, 1887 Dec. Comm’r Pat. 31, 32-33 (Comm’r Pat. 1887) (the term “unavoidable” “is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful man in relation to their most important business”); *In re Mattullath*, 38 App. D.C. 497, 514-15 (D.C. Cir. 1912); *Ex parte Henrich*, 1913 Dec. Comm’r Pat. 139, 141 (Comm’r Pat. 1913).

⁶ *Smith v. Mossinghoff*, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982).

⁷ *Haines v. Quigg*, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

March, 2010. Accordingly, the patent expired after midnight 5 March, 2010, for failure to pay timely the second maintenance fee.

The instant petition (with fee) pursuant to 37 C.F.R. §1.378(b) was filed on 4 May, 2012.

The bulk of the story of the failure to pay timely:

- the second maintenance fee before midnight 5 September, 2009, or
- the second maintenance fee and the surcharge before midnight 5 March, 20010, or
- the second maintenance fee and the surcharge for delayed payment of the maintenance fee before midnight 5 March, 2012,

was played out for the record in the statements of two individuals.

These individuals are:

- Jimmy Lucchesi (Mr. Lucchesi), who was employed by Vivoxid “[f]rom November 1, 2006 to December 16, 2009 ...”⁸ His “initial position was market analyst *** [and he] was promoted to Market Development Manager, effective December 3, 2008”,⁹ and
- Dr. Jukka Tuominen (Dr. Tuominen), who has “been employed by Vivoxid *** as Technology Development Director since October 2008”¹⁰ and “assumed responsibility for Vivoxid’s intellectual property matters in December 2009, after Mr. Lucchesi transferred to BonAlive [(BonAlive)] Biomaterials Ltd.”¹¹ as part of the restructuring whereby “Vivoxid split into two companies: Vivoxid and BonAlive Biomaterials Ltd., a manufacturer and distributor of biomaterials *** ”¹² and Mr. Lucchesi was initially the BonAlive “Market Development Manager *** [and then] was promoted to R&D Manager effective June 1, 2010.”¹³

In addition to Vivoxid, other enterprises involved in this matter are:

- Patrafee OY AB, a commercial annuity payment service company;¹⁴
- Vivoxid’s Finnish patent counsel, Turun Patentitoimisto Oy (Turun);¹⁵ and

⁸ Mr. Lucchesi’s statement, Page 2 (unnumbered), Item 5.

⁹ Mr. Lucchesi’s statement, Page 2 (unnumbered), Item 5.

¹⁰ Dr. Tuominen’s statement, Page 2, Item 4.

¹¹ Dr. Tuominen’s statement, Page 3, Item 10.

¹² Mr. Lucchesi’s statement, Page 2 (unnumbered), Item 7.

¹³ Mr. Lucchesi’s statement, Page 2 (unnumbered), Item 7.

¹⁴ Dr. Tuominen’s statement, Page 2-3, Item 8. See also: Mr. Lucchesi’s statement, Page 3 (unnumbered), Item 10.

¹⁵ Dr. Tuominen’s statement, Page 2-3, Item 8. See also: Mr. Lucchesi’s statement, Page 3 (unnumbered), Item 10.

- Vivoxid's U.S. patent counsel, James C. Lydon (Mr. Lydon), Petitioner.¹⁶

Mr. Lucchesi¹⁷ and Dr. Tuominen¹⁸ attested that:

- “ *** Vivoxid always has had less than 30 employees and none dedicated only to patent matters.”¹⁹
- In addition to his other responsibilities, Mr. Lucchesi “had sole responsibility for Vivoxid’s intellectual property matters, including timely payment of maintenance fees for U.S. patents and annuity fees for non-U.S. patent applications and patents.”²⁰
- “Vivoxid does not maintain an internal docket for maintenance and annuity payments. Instead Vivoxid contracted with Patrafee OY AB, a commercial annuity payment service company, to handle its annuity and maintenance fee payments. *** Vivoxid’s Finnish patent counsel, Turun Patentitoimisto Oy (Turun) would inform Patrafee of each new Vivoxid application or patent for which an annuity or maintenance fee would be payable. Patrafee would enter the relevant information into its docketing system, and would periodically send Vivoxid a reminder listing those annuities and maintenance fees which would become due in the next few months.²¹ Each of these fees would be paid unless Vivoxid instruct Patrafee not to pay a specific annuity or maintenance fee.”²² (Emphasis the original.)
- “ *** Mr. Lucchesi did not receive formal training in annuity payment procedures.”²³
- Nonetheless, Dr. Tuominen regarded Mr. Lucchesi “as trustworthy and capable of overseeing Patrafee’s annuity payment services on Vivoxid’s behalf.”²⁴ (There is no showing of record that Dr. Tuominen—a polymer and polymer-composites scientist²⁵—received formal training in annuity payment procedures.)
- “In 2009 Vivoxid’s patent portfolio comprised more than 15 patent families, with some families having more than 20 pending applications and issued patents. Vivoxid employed a shorthand name for each patent family for convenience. Thus, ‘Sulamuovi’ is an internal Vivoxid shorthand for a patent family which includes U.S. Patent 6,353,038 (the

¹⁶ Mr. Lydon’s statement, Page 1-4, Item 1-18.

¹⁷ Mr. Lucchesi’s statement consists of six (6) pages and is accompanied by a two- (2-) page vitae.

¹⁸ Dr. Tuominen’s statement consists of seven (7) pages and is accompanied by a six- (6-) page vitae..

¹⁹ Mr. Lucchesi’s statement, Page 2 (unnumbered), Item 6. *See also:* Dr. Tuominen’s statement, Page 2, Item 7.

²⁰ Mr. Lucchesi’s statement, Page 2 (unnumbered), Item 6. *See also:* Dr. Tuominen’s statement, Page 2, Item 7.

²¹ Example: Exhibit 1.

²² Dr. Tuominen’s statement, Page 2-3, Item 8. *See also:* Mr. Lucchesi’s statement, Page 3 (unnumbered), Item 10.

²³ Dr. Tuominen’s statement, Page 3, Item 9.

²⁴ Dr. Tuominen’s statement, Page 3, Item 9.

²⁵ Dr. Tuominen’s statement, Page 1, Item 1 and Page 2, Item 4.

‘038 patent). Other Vivoxid shorthand names for its patent families include ‘Ti-geeli,’ ‘Lonkkaprotpinnoitus’ and ‘Iskuluja bohajoava materiaali.’”²⁶

- “ *** Patrafee correctly docketed the maintenance fee payment dates for the ‘038 patent. *** a Patrafee reminder dated March 5, 2009^[27] to Vivoxid correctly lists the ‘038 patent , its second maintenance fee due date of 5 September 2009, and Vivoxid’s patent family reference ‘Sulamuovi.’”²⁸
- “Vivoxid decided to abandon 2 patent families (‘Ti-geeli’ and ‘Lonkkaprotpinnoitus’) in early 2009. Instructions not to pay annuities for these patent families were communicated by Mr., Lucchesi to Patrafee.”²⁹
- “Peter Holmqvist [(Mr. Holmqvist)] was the Patrafee employee [Mr. Lucchesi] dealt with in connection with the docketing and payment of Vivoxid’s annuity and maintenance fee payments.”³⁰
- The failure to pay the second maintenance fee for the ‘038 patent was “due to a miscommunication between Patrafee and Vivoxid *** because Mr. Lucchesi and Mr. Holmqvist and subsequent non-communication between Patrafee and Vivoxid. The miscommunication occurred because Mr. Holmqvist mistakenly used Vivoxid’s ‘Lonkkapropoteesipinnoitus’ patent family reference in connection with the ‘038 patent in an e-mail sent to Mr. Lucchesi.^[31] *** Mr. Holmqvist should have used the Vivoxid reference ‘Sulamuovi’ in connection with the ‘038 patent.”³²
- Mr. Lucchesi “did not realize Mr. Holmqvist’s mistake. Instead [Mr. Lucchesi] assumed the ‘038 patent belonged to the Lonkkaprotpinnoitus patent family, which Vivoxid had decided to abandon. [Mr. Lucchesi] accordingly confirmed the ‘038 patent should be abandoned in an e-mail^[33] sent [Mr. Holmqvist] on June 5, 2009 ***.”³⁴
- Looking back, Mr. Lucchesi attributes the failure to recognize and correct Mr. Homqvist’s original mistake to the fact that Mr. Lucchesi had “a significantly heavier workload at the time this mistake occurred. The employment contracts of two members of Vivoxid’s executive group were suddenly and surprisingly terminated at the end of 2008. One of the terminated executives was [Mr. Lucchesi’s] superior. The terminations

²⁶ Mr. Lucchesi’s statement, Page 2-3 (unnumbered), Item 9. *See also:* Dr. Tuominen’s statement, Page 3-4, Item 11.

²⁷ Exhibit 1.

²⁸ Dr. Tuominen’s statement, Page 4, Item 12. *See also:* Mr. Lucchesi’s statement, Page 4 (unnumbered), Item 14.

²⁹ Dr. Tuominen’s statement, Page 2-3, Item 8. *See also:* Mr. Lucchesi’s statement, Page 4 (unnumbered), Item 14.

³⁰ Mr. Lucchesi’s statement, Page 3 (unnumbered), Item 10. *See also:* Dr. Tuominen’s statement, Page 4, Item 13.

³¹ Exhibit 3.

³² Dr. Tuominen’s statement, Page 4, Item 14. *See also:* Mr. Lucchesi’s statement, Page 4 (unnumbered), Item 15.

³³ Exhibit 4.

³⁴ Mr. Lucchesi’s statement, Page 4 (unnumbered), Item 16. *See also:* Dr. Tuominen’s statement, Page 5, Item 15.

led to a major reorganization of responsibilities among the remaining Vivoxid employees, which resulted in a temporary but significant increase in [Mr. Lucchesi's] duties.”³⁵

- More recently it was discovered that “Mr. Holmqvist sent *** a letter dated June 9, 2009^[36] stating that the ‘038 patent was to be permitted to lapse *** [contained] the correct patent number and correct patent family reference ‘Sulamuovi’ for the ‘038 patent.”³⁷
- “ *** Vivoxid either did not receive [Mr.Holquist’s June 9, 2009,] letter or misplaced it. *** [the letter] is not in Vivoxid’s files for the ‘Sulamuovi’ patent family *** [and] is not in Vivoxid’s files for its ‘Lonkkaprotpinnoitus’ patent family.”³⁸
- Dr. Tuominen received from Patrafee “an annuity reminder dated March 5, 2012, which lists annuity fees coming due *** .”³⁹,⁴⁰
- “On March 28, 2012 [Dr. Tuominen] began to review [the list] and saw that annuity fees for eleven patents belonging to Vivoxid’s ‘Sulamuovi’ patent family were becoming due. However, Dr. Tuominen] noticed that the corresponding U.S. Patent for the ‘Sulamuovi’ patent family (the ‘038 patent) was not listed.”⁴¹
- Dr. Tuominen “sent an e-mail to Ms. Kaisa Suominen of Turun requesting the status of the ‘038 patent on March 28, 2012. Ms. Suominen did not respond that day, so [Dr. Tuominen] sent an e-mail to Mr. Kim Roering of Turun requesting the same information on March 29, 2012. Mr. Roering then informed [Dr. Tuominen] the ‘038 patent had expired because its second maintenance fee had not been paid.”⁴²
- Dr. Tuominen “immediately asked Mr. Roering to determine whether [Vivoxid] could revive the ‘038 patent, and began an internal investigation into how the ‘038 patent had expired.”⁴³

The record contains an eight- (8-) page statement by Christina Sunnercrantz (Ms. Sunnercrantz), who described herself as employed by Patrafee since 1986, and currently is Team Manager in the Patent Annuities and Renewals Department.⁴⁴

³⁵ Mr. Lucchesi’s statement, Page 5 (unnumbered), Item 17.

³⁶ Exhibit 6.

³⁷ Mr. Lucchesi’s statement, Page 5 (unnumbered), Item 18. *See also:* Dr. Tuominen’s statement, Page 5, Item 16.

³⁸ Mr. Lucchesi’s statement, Page 5 (unnumbered), Item 19. *See also:* Dr. Tuominen’s statement, Page 5, Item 17.

³⁹ Dr. Tuominen’s statement, Page 6, Item 20A.

⁴⁰ Exhibit 11.

⁴¹ Dr. Tuominen’s statement, Page 6, Item 20B.

⁴² Dr. Tuominen’s statement, Page 6, Item 20C.

⁴³ Dr. Tuominen’s statement, Page 6, Item 20D.

⁴⁴ Ms. Sunnercrantz’s statement, Page 1, Item 1.

- Much of Ms. Sunnercrantz's statement describes Patrafee AB,⁴⁵ Patrafee's Annuity Docketing Procedures⁴⁶ and Patrafee's Annuity Payment Procedures.^{47, 48},
- Ms. Sunnercrantz stated that she "worked with Mr. Holmqvist during all the time he was employed by Patrafee";⁴⁹ and that "Mr. Holmqvist was employed by Patrafee for almost 17 years. From September 1995 to February 1998, Mr. Holmqvist was a Country Manager, from February 1998 to December 2009 he was a Key Account Manager for Patrafee's Finnish clients, and from December 2009 to April 2011 he was a Senior External Pricing Manager. Mr. Holmqvist's responsibilities as Key Account Manager in Patrafee's Patent Annuities and Renewals department included docketing, monitoring and payment of annuities on behalf of Patrafee's Finnish clients. Accordingly, he was the Patrafee employee who would send Vivoxid its annuity reminders, and otherwise communicate with Vivoxid concerning payment or non-payment of annuity fees for patents and pending applications owned by Vivoxid at the time the '038 patent's second maintenance fee became due."⁵⁰

The record does not appear to contain a statement from Mr. Holmqvist or a reason for its absence—e.g., his retirement or death.

The record contains a five- (5-) page petition form (Form PTO/SB/65) and a twenty-one- (21-) page narrative and argument (Argument), with a one- (1-) page exhibit listing, and eighteen (18) pages of Exhibits: Exhibits 1-11 and Exhibits A and B.

- To suggest an explanation why the June 9, 2009, letter from Mr. Holmqvist at Patrafee to Mr. Lucchesi at Vivoxid was not found in Vivoxid's files, the Argument references a news report,⁵¹ not published until July 2011, to the effect that "in 2009 about 8500 letters disappeared," i.e., were mailed but not delivered—this across the entire year in the Finnish nation of more than 5,300,000 people.⁵²

Once the facts are teased out, they reveal that:

- The Finnish patent firm Turun represented Vivoxid and obtained for it the patent prosecution services of Petitioner in the United States and the maintenance management firm of Patrafee in Finland.

⁴⁵ Ms. Sunnercrantz's statement, Page 1-2, Item 3-4.

⁴⁶ Ms. Sunnercrantz's statement, Page 2-3, Item 5-9.

⁴⁷ Ms. Sunnercrantz's statement, Page 3-5, Item 1-14.

⁴⁸ Example, Exhibit A.

⁴⁹ Ms. Sunnercrantz's statement, Page 6, Item 18.

⁵⁰ Ms. Sunnercrantz's statement, Page 5, Item 16-17.

⁵¹ Exhibit 6A.

⁵² The public agency *Statistics Finland* (<http://www.stat.fi/>) reported that the population of Finland on 31 December 2009, was 5,351,427. (http://www.stat.fi/til/yaerak/2009/yaerak_2009_2010-03-19_tie_001_en.html).

- Vivoxid spoke with Patrafee not directly in a listing of its patent properties, but first in a “code” of patent family names, and thereafter in particulars as to individual patents.
- Despite Vivoxid’s apparently significant portfolio of intellectual property—dozens of applications and issued patents, with some of “the more than 15 patent families having more than 20 pending applications and issued patents”⁵³—Vivoxid had no one whose duties were dedicated exclusively to its management and Vivoxid apparently provided no training in such management to Mr. Lucchesi, or to his successor Dr. Tuominen.
- Whether the initial error was on the part of Patrafee’s Mr. Holmqvist or Vivoxid’s Mr. Lucchesi—and the inference is that it was the former—the ‘038 patent became confused in the “code” of family names in the June 2009 exchanges between Mr. Holmqvist and Mr. Lucchesi.
- The apparently sudden and rather extreme changes in Vivoxid’s management team months earlier imposed upon Mr. Lucchesi enormous new duties and responsibilities just at the time of discussions of payment of the second maintenance fee for the’038 patent.
- If the error in identifying the ‘038 of an incorrect family group code of Vivoxid’s patent properties was that of Mr. Holmqvist, the burdens that Vivoxid placed upon Mr. Lucchesi with its management changes took his attentions away from management of the Vivoxid intellectual property portfolio sufficiently for him not to notice and correct the error when it occurred in June 2009.
- Exacerbating conditions, only months later in December 2009 Vivoxid split itself into two companies and placed Mr. Lucchesi in the new and second firm, BonAlive.
- Mr. Lucchesi’s management of Vivoxid’s intellectual property then fell to Dr. Tuominen, however, in that transfer of duties and authority Vivoxid failed to take advantage of the opportunity for an audit of intellectual property that well could have taken place.
- Thereafter, the twenty-four- (24-) month period following the expiration of the ‘038 patent began, ran and ended before Vivoxid commenced the instant petition process.

Thus, the record reflects that the instant matter is not one of a docketing or calendaring problem—but rather the failure of Vivoxid to attend to and/or otherwise monitor and properly manage the maintenance of the instant application.

There is no showing that the docketing/calendaring of maintenance fees for the instant matter was improperly performed. Thus, there is no showing of a failure that was systemic—such as that which occurs when a computer or computer program fails.

⁵³ Mr. Lucchesi’s statement, Page 2-3 (unnumbered), Item 9. *See also:* Dr. Tuominen’s statement, Page 3-4, Item 11.

The error was of a not-unfamiliar form: plain human error, which is a delay that is not unavoidable but unintentional—however such a consideration is not before the Office.

In any case, such facts as have been recited do not suggest diligence—at least a level of diligence as required herein—on the part of those who were supposed to attend to this matter.

The provisions of 35 U.S.C. §41(c)(1) do not require an affirmative finding that the delay was avoidable, but only an explanation as to why the Petitioner has failed to carry his or her burden to establish that the delay was unavoidable.⁵⁴ The provisions of 35 U.S.C. §133 do not require the Commissioner to affirmatively find that the delay was avoidable, but only to explain why the applicant's petition was unavailing.

Petitioner is reminded that it is the patentee's/assignee's burden under the statutes and regulations to make a showing to the satisfaction of the Director that the delay in payment of a maintenance fee is unavoidable.⁵⁵

This the Petitioner and/ or assignee has/have not done.

At bottom, the question is one of diligence.⁵⁶

Because 35 U.S.C. § 41(b) requires the payment of fees at specified intervals to maintain a patent in force, rather than some response to a specific action by the Office under 35 USC § 133, a reasonably prudent person in the exercise of due care and diligence would have taken steps to ensure the timely payment of such maintenance fees.⁵⁷ That is, an adequate showing that the delay in payment of the maintenance fee at issue was "unavoidable" within the meaning of 35 U.S.C. § 41(c) and 37 C.F.R. §1.378(b)(3) requires a showing of the steps taken by the responsible party to ensure the timely payment of the third/last maintenance fee for this patent.⁵⁸ There are three periods to be considered during the evaluation of a petition under 37 C.F.R. §1.378(b):

- (1) The delay in reply that originally resulted in expiration;
- (2) The delay in filing an initial petition pursuant to §1.378(b) to reinstate the patent; and
- (3) The delay in filing a grantable petition pursuant to §1.378(b) to reinstate the patent.⁵⁹

⁵⁴ See *Commissariat A. L'Energie Atomique v. Watson*, 274 F.2d 594, 597, 124 USPQ 126, 128 (D.C. Cir. 1960).

⁵⁵ See *Rydeen v. Quigg*, 748 F. Supp. 900, 16 USPQ2d 1876 (D.D.C. 1990), aff'd 937 F.2d 623 (Fed. Cir. 1991)(table), cert. denied, 502 U.S. 1075 (1992); *Ray v. Lehman*, *supra*.

⁵⁶ See: *Changes to Patent Practice and Procedure; Final Rule Notice*, 62 Fed. Reg. at 53158-59 (October 10, 1997), 1203 Off. Gaz. Pat. Office at 86-87 (October 21, 1997). See also: *Ray v. Lehman*, *supra*.

⁵⁷ *Ray*, 55 F.3d at 609, 34 USPQ2d at 1788.

⁵⁸ *Id.*

⁵⁹ See *Changes to Patent Practice and Procedure; Final Rule Notice*, 62 Fed. Reg. 53131 at 53158 (October 10, 1997).

At the outset and as of this writing, the showing is not persuasive with regards to the nature of the delay in reply that originally resulted in expiration or as to the filing of the initial petition (Items 1 and 2), which are the periods pertinent at this time.

Petitioner must provide documentary foundations in support of a showing of unavoidable delay.

Thus, at this writing the statements and papers presented in/with the petition fail to satisfy the showing required to establish unavoidable delay within the meaning of 37 C.F.R. §1.378(b).

A showing of diligence in matters before the Office is essential to support a finding of unavoidable delay herein.⁶⁰ There is no “sliding scale” based upon the priority given to this maintaining this patent in force, or more diligently seeking reinstatement, *vis-a-vis* other matters by Petitioner. The issue is solely whether the maintenance, or reinstatement, of the patent at issue was actually conducted with the care or diligence that is generally used and observed by prudent and careful persons in relation to their most important business.

At this writing the record fails to adequately evidence the exercise of due care and diligence observed by prudent and careful persons, in relation to their most important business, which is necessary to establish unavoidable delay.⁶¹

The record at this writing does not provide a clear showing that reasonable steps were taken to ensure timely payment of the maintenance fee. In fact, the record indicates that no steps were taken by Patentee(s) and/or Assignee to ensure timely payment of the maintenance fee.

The provisions of 37 C.F.R. §1.378(b) preclude acceptance of the delayed payment of the maintenance fee due to unavoidable delay. The regulations at 37 C.F.R. §1.378(b)(3) state that any petition to accept delayed payment of a maintenance fee must include:

A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date, and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.

In any future filing, this showing should include, but is not limited to, docket records, tickler reports, and file jacket entries for this application, and documents regarding the alleged cause of the delay and copies of any documents referred to in Petitioner's statement as to the cause of the unavoidable delay are required. All the causes which contributed to the failure to timely pay the

⁶⁰ See *Futures Technology, Ltd. v. Quigg*, 684 F. Supp. 430, 431, 7 USPQ2d 1588 (E.D. Va. 1988)(applicant's diligent inquiry into the status of the application is required to show unavoidable delay); *Douglas v. Manbeck*, 21 USPQ2d 1697, 1699-1700 (E.D. Pa. 1991), *aff'd*, 975 F.2d 869, 24 USPQ2d 1318 (Fed. Cir. 1992) (even representation by counsel does not relieve the applicant from his obligation to exercise diligence before the USPTO; applicant's lack of diligence extending two and one half years overcame and superseded any omissions by his counsel).

⁶¹ *Pratt, supra*.

maintenance fee must be presented and supported with appropriate evidence.⁶² (In general, a Petitioner should identify the party(ies) responsible for making the payment: A showing must be made (with supporting documents) outlining the efforts made to ensure timely payment of the maintenance fee--including scheduling and calendaring information, appointment of an individual with the authority and responsibility to pay the fee, and detailing of the causes for a failure in that process.)

Thus, as of this writing, the Office is unable to grant the relief sought.

In summary, the showing of record has been considered, but does not rise to the level of unavoidable delay. Rather, the showing of record is of possible a lack of diligence. (*See:* http://www.uspto.gov/web/offices/pac/mpep/documents/2500_2590.htm#sect2590)

CONCLUSION

For the reasons stated above, the delay in this case cannot be regarded as unavoidable within the meaning of 35 U.S.C. §41(c)(1) and 37 C.F.R. §1.378(b).

Accordingly, the petition under 37 C.F.R. §1.378(b) is **dismissed**.

Further correspondence with respect to this matter should be addressed as follows:

By Mail: Mail Stop PETITION
 Commissioner for Patents
 P. O. Box 1450
 Alexandria, VA 22313-1450

By hand: U. S. Patent and Trademark Office
 Customer Service Window, Mail Stop Petitions
 Randolph Building
 401 Dulany Street
 Alexandria, VA 22314

By facsimile: **(571) 273-8300**
 Attn: Office of Petitions

⁶² The showing must also enumerate the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly. Statements from all persons who contributed to the delay are also required.

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Telephone inquiries regarding this decision may be directed to the undersigned at (571) 272-3214—it is noted, however, that all practice before the Office is in writing (see: 37 C.F.R. §1.2⁶³) and the proper authority for action on any matter in this regard are the statutes (35 U.S.C.) regulations (37 C.F.R.) and the commentary on policy (MPEP). Therefore, no telephone discussion may be controlling or considered authority for Petitioner's action(s).



/John J. Gillon, Jr./
John J. Gillon, Jr.
Senior Attorney
Office of Petitions

⁶³ The regulations at 37 C.F.R. §1.2 provide:

§1.2 Business to be transacted in writing.

All business with the Patent and Trademark Office should be transacted in writing. The personal attendance of Petitioners or their attorneys or agents at the Patent and Trademark Office is unnecessary. The action of the Patent and Trademark Office will be based exclusively on the written record in the Office. No attention will be paid to any alleged oral promise, stipulation, or understanding in relation to which there is disagreement or doubt.